

Message Text

UNCLASSIFIED

PAGE 01 SANTIA 06591 072235Z

14

ACTION EB-07

INFO OCT-01 ARA-10 ISO-00 ABF-01 AID-05 CIAE-00 COME-00

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06

SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15

STR-04 CEA-01 /092 W

----- 046605

R 072142Z JUL 76

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 179

UNCLAS SANTIAGO 6591

E. O. 11652: N/A

TAGS: AFSP, ALOW, AFIN, ECON, CI

SUBJECT: INFLATION IN JUNE

1. THE NATIONAL INSTITUTE OF STATISTICS ANNOUNCED THAT THE CONSUMER PRICE INDEX ROSE BY 12.3 PERCENT DURING JUNE. THIS WAS THE SECOND HIGHEST MONTHLY INCREASE OF THE YEAR (MARCH'S INFLATION WAS 13.5 PERCENT). THE RESULTS WERE STRONGLY INFLUENCED BY THE QUARTERLY SURVEYS OF HOUSE RENTS AND OF MEDICAL AND DENTAL FEES.

2. INCREASES BY SECTORS WERE: FOOD, 10.9 PERCENT; HOUSING, 16.0 PERCENT; CLOTHING, 14.3 PERCENT AND MISCELLANEOUS, 11.8 PERCENT. BY ITEM, THE LARGEST PRICE INCREASES WERE OBSERVED IN: POTATOES (41 PERCENT), FISH (20 PERCENT), MEAT AND POULTRY (20 PERCENT), COFFEE (36 PERCENT), MEDICAL CARE (31 PERCENT), DENTAL CARE (31 PERCENT), HOSPITAL RATES (39 PERCENT), HOUSE RENTS (26 PERCENT), WOOD AND COAL (61 PERCENT AND 25 PERCENT).

3. COMMENT: INFLATION FOR THE FIRST HALF OF 1976 WAS 90.6 PERCENT, EQUIVALENT TO AN ANNUAL RATE OF 263 PERCENT. HOWEVER, CONSIDERABLE PRICE REDUCTIONS HAVE TAKEN PLACE DURING THE PAST WEEK, INDUCED BY RECENT GOC REVALUATION OF THE CHILEAN PESO FOR US\$ 0.072 TO US\$ 0.08 (REVALUATION OF 11.2 PERCENT). THIS MEASURE, COMBINED WITH INDICATIONS OF LOWER INFLATIONARY EXPECT-

UNCLASSIFIED

PAGE 02 SANTIA 06591 072235Z

ATIONS ON THE PART OF LOCAL BUSINESSMEN, MAY WELL DECREASE

JULY'S INFLATION TO 5-6 PERCENT, AND POSSIBLE STILL LOWER RATES
IN THE MONTHS FOLLOWING.
POPPER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COST OF LIVING, INFLATION
Control Number: n/a
Copy: SINGLE
Draft Date: 07 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976SANTIA06591
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760262-0850
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760783/aaaacvfo.tel
Line Count: 64
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: schwenja
Review Comment: n/a
Review Content Flags:
Review Date: 27 FEB 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27 FEB 2004 by ThomasVJ>; APPROVED <09 AUG 2004 by schwenja>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INFLATION IN JUNE
TAGS: AFSP, ALOW, AFIN, ECON, CI
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006